



WATER COMMISSION
May 20, 2010
SUMMARIZED MINUTES

MEMBERS PRESENT

Patrick Hurley
Jeff Oravits
John Nowakowski
Dick Kersey
Dan Burke
Hanna Cortner
Paul Turner
Bob Shinham
Lindsay Wagner
Jim McCarthy
Rick Swanson

MEMBERS ABSENT

STAFF PRESENT

Ryan Roberts
Marion Lee
Brad Hill
Randy Pellatz

OTHERS PRESENT

I. CALL TO ORDER

There being a quorum present, Patrick Hurley, Chair called the meeting to order at 4:00 p.m. The Agenda has been revised for today's meeting.

II. APPROVAL OF MINUTES – April 15, 2010

Moved by Paul Turner and seconded by Dan Burke that the April 15, 2010 be approved. Jeff Oravits quoted that the minutes should indicate "The Commission questioned the timing, the need and practicality of this ordinance". Motion passed as amended and on a unanimous vote.

There was public participation and the Chair received thirteen comment cards which all indicate the opposition of the use of reclaimed water for snowmaking.

III. PUBLIC PARTICIPATION: None

IV. NEW BUSINESS

A. Consideration of Out-of-City Water & Sewer Service Request – David Stilley

Ryan introduced David Stilley, property owner, who has requested out of City water and sewer service for the Peak View Market located at 3400 North Fort Valley Road (APN# 300-46-008B). Mr. Stilley's property is located outside the City's service area boundary in Coconino County and does not pay City Sales Tax. The property currently has a private water well and an on-site septic system with a leech field behind their existing facilities. There are currently no plans to further develop this property at this time.

In 2007 a new 8" diameter water and sewer line were extended within City limits to his property boundary by the Shultz Pass Subdivision development. No upsizing to the existing water and sewer mains are required to serve this site. The property is outside the City's service area boundary and the City has no current plans to incorporate this area.

In a letter to the City, Mr. Stilley indicated his existing septic system is becoming increasingly difficult and expensive to maintain. In addition his private well is having difficulty keeping up with the increasing volume of his retail business.

The City policy on out of City water or sewer requests directs the City to consider each request on a case by case basis and allows the City to grant such requests subject to special conditions deemed necessary by the request. In this case, staff is recommending approval based on the owner entering into a pre annexation agreement. The pre annexation agreement shall be attached to the property deed so that it will transfer to future property owners in the event the current owner sells or subdivides the property. In addition City Code requires that all water taps or connections made outside the corporate limits of the City shall be 110% of the standard charges, fees and/or deposits.

Finally, per City Code section 7-03-001-0006, it is unlawful for any person or business to furnish City water or sewer service to others or authorize or direct another to do so without authority from the Utilities Division. In other words, the property owner may not install a Recreational Vehicle sewer load out station or water loadout station for use by the general public without prior written authorization by the City of Flagstaff Utilities Division.

Moved by John Nowakowski and seconded by Hanna Cortner to recommend to Council to approve the request for out of City sewer service contingent on the owner entering into a pre-annexation agreement for the service and the septic will be closed as a requirement. All approved.

B. Consideration of Draft Recovered Reclaimed Water Agreement – AZ Snowbowl

Commissioner, Paul Turner excused himself from the meeting due to conflict of interest.

Kevin Burke, City Manager introduced this item and indicated that it was not a debate on if snowmaking should or should not occur. The decision is on use of the alternative source of water in the Draft Recovered Reclaimed Water Agreement requested by the Department of Agriculture and the Arizona Snowbowl for an alternative water supply for snowmaking purposes at the Arizona Snowbowl, the City proposed an indirect delivery of reclaimed water, a common practice throughout the Southwest, in order to fulfill the City's contractual obligation with Snowbowl.

The City and Arizona Snow Bowl entered into the Original Agreement on March 20, 2002, for snow bowl to purchase treated directly delivered reclaimed water from the City's wastewater treatment plant(s) to be used for snowmaking at the Arizona Snowbowl ski area located on U.S. Forest Service.

The Arizona Snowbowl obtained approval for the snowmaking for their project from the Coconino National Forest in February of 2005. The approval, however, has been challenged in the Federal Court system. The approval of snowmaking has been upheld by the Federal District Court in Prescott and from the U.S. 9th Circuit Court of Appeals in San Francisco based upon arguments heard in the September 2006 U.S. Supreme Circuit, August 2009.

Arguments against the snowmaking have included the quality of the reclaimed water, hydrologic impacts on the C-aquifer and cultural beliefs of Native American Tribes. The arguments are outlined and addressed in the Environmental Impact Statement that resulted in the Forest Service decision of approval and were considered in Federal Court. The United States Department of Agriculture has proposed to issue a permit to Snowbowl authorizing artificial snowmaking with recovered reclaimed water, and not direct delivery of reclaimed water, which many Tribes believe offends the sacred nature of the San Francisco Peaks.

This approach is an attempt at providing a water neutral solution for the residents of Flagstaff, expands the snowmaking capabilities for Snowbowl for those who wish to recreate, preserve the sacred nature of the San Francisco Peaks and create jobs now and in the future for the people of Northern Arizona. During this economic recession, it is an attempt to create jobs and provide infrastructure that promotes economic and job growth.

Like many Arizona cities and towns, Flagstaff has been recharging its local aquifers for over the past 30 years to provide for a more sustainable water supply. This recharge is made possible by discharging nearly 700 million gallons a year into the Rio de Flag from the City's water reclamation plants where a majority of this highly treated reclaimed water infiltrates underground and is stored for future use. Storing this water underground each year not only makes sound water management sense, it is also encouraged by both the Arizona Departments of Water Resources and Environmental Quality. In fact, Flagstaff stored enough water underground last year to provide 4 (four) year's worth of water for snowmaking.

Water quality is a top concern of the City. According to the U.S. Environmental Protection Agency's water quality standards and testing the quality of the City's reclaimed water prior to recharge meets all water quality standards that are in existence today.

In addition, the stored reclaimed water may also be naturally cleaned as it infiltrates downward through sediments and rock where it ultimately becomes commingled and diluted further with the natural groundwater. This commingled source of water that meet all drinking water quality standards and is available for use by Flagstaff citizens and businesses.

In addition to water quality, the importance of water quantity cannot be understated, since the delivery of reclaimed water by either the direct or indirect method has neutral impact, gallon for gallon, on the City's overall water resource portfolio.

Lastly, delivering this alternative water supply would be financially neutral to the utility rate customers of Flagstaff. The federal government has proposed to subsidize a portion and the Arizona Snowbowl would be responsible to pay the full costs of this new supply.

The connection point to the City's water system would be on the City's water transmission main near Thorpe Park.

Any water service requests to serve residence or development in an area outside of corporate city limits is required by City Code to go to the City Water Commission for review. Further, the City Water Commission is required to review each application and make a recommendation to the City Council. The Mayor and Council have the final decision based on the request and recommendation of the Water Commission. Per resolution No. 1521 (adopted December 15, 1987) the City policy on out-of-city water or sewer requests directs the City to consider each request on a case by case basis and allows the City to grant such requests subject to special conditions deemed necessary by the request. In this case, staff recommends approval based the owner's existing agreement for reclaimed water that the City is obligated to fulfill. In addition City Code requires that all water taps or connections made outside the corporate limits of the City shall be 110% of the standard charges, fees and/or deposits.

Hanna asked where the funding would come from and Kevin said it will be funded by USDA.

Summary:

- City approached by U.S.D.A - alternative water supply for snowmaking
- City proposed industry common "indirect v. direct" (could work from both hydrology & infrastructure)
- More culturally sensitive water supply – quality meets U.S. drinking water standards
- No change to quantity of water delivered, therefore know new impact to City's water supplies

- No cost to the City:
 - U.S.D.A. \$11 million grant
 - Snowbowl pay full cost of water Recovered Reclaimed water rate
- Snowbowl has requested this new alternative water supply
- Staff recommends Water Commission consider and adopt this new Agreement

The Commission requested further clarification on the definition on Recovered Reclaimed Water – Means Reclaimed Water that has been previously stored underground (i.e., Stored Water) and subsequently recovered or withdrawn from the aquifer with a water well (commonly referred to as the indirect delivery of Reclaimed Water).

The following individuals spoke in opposition of using recovered reclaimed water for snowmaking and requested the Commission not to act on the matter until the N.E.P.A. lawsuit is resolved: Celia Barotz, Rachel Tso, Dean Spears, Frederica Hall, Howard Shanker, Miguel Vasquez, Klee Benally, Berta Benally, Stacey Hemburg, Carletta Tolousi, Andy Bessler, Lisa Rayner, Art Babbott, Leigh Kuwanwisiwma, David Soals, Tamara Ramirez, and Leroy Shingoitewa.

This is a 20-year agreement and the Commission indicated that adding the Consideration of Draft Recovered Reclaimed Water Agreement – AZ Snowbowl to the agenda was too short of a noticed.

No decision was made. The Commission requested Staff to take the Agreement and revise with all the comments and maybe get more public input. All approved. The motion is the recommendation for staff to revise with all the public input and decide what to do with the agreement. All approved.

III. OLD BUSINESS

A. Rainwater Harvesting Ordinance – Connor Boyle

The City Council recently directed the Stormwater Section to proceed with the development of a draft Rainwater Harvesting (RWH) Ordinance following the model used by the City of Tucson in developing their RWH ordinance.

Typically in developing regulations, Stormwater staff have drafted the regulation and presented it to different stakeholder groups, soliciting and incorporating their comments and concerns into the draft ordinance. In contrast, The City Council of Tucson directed staff to work with stakeholders to create a RWH ordinance. The stakeholder group consisted of Environmentalists, developers and neighbors who participated in a balanced dialogue. A technical subcommittee was also formed to work out the standards used to implement the ordinance. This subcommittee consisted of 24 builders, architects, developers, landscape architects and designers and contractors, civil engineers, planners, representatives of Tucson Water, and City administrators.

As a starting point for the draft ordinance creation, the Flagstaff City Council is proposing capturing the first one inch of rain off all new non-residential roofs so it can be stored for later use. Residential homes will be required to have an active RWH system if the house is greater than 2,500 sf and passive if less than 2,500 sf. It is important to note, this is only a starting point and the Stakeholder Group will be able to modify this standard, or create their own,

At the April 15 meeting of the Water Commission, Stormwater staff presented a draft stakeholder group to development the ordinance as directed by Council. At the recommendation of the Commission, a better overall balance for the Group has been sought by doing the following:

- The number of engineers on the Group has been reduced to 2
- HVAC companies have been contacted, and representation from one has been obtained
- We have met with the NABA and Northern Arizona Realtors explaining the process and asking for representation.

It is our intent to provide a revised stakeholder list to the Commission members.

The Commission request for Staff to meet with the Stakeholders and draft the rainwater harvesting Ordinance and keep the Commission informed on details.

VII. INFORMATIONAL ITEMS TO/FROM THE CHAIR, COMMISSION OR STAFF

A handout of the Report the Water Commission was handed out.

The Commission requested to put on the agenda and discuss the Committee attendance on the policy.

VIII. ADJOURNMENT

John Nowakowski moved to adjourned and seconded by Jeff Oravits. All approved.
The meeting adjourned at 7:15 p.m.